UNITED
NATIONS

DP

Governing Council
of the
United Nations
Development Programme

Distr.
GENERAL

DP/1993/SR.5
3 March 1993

ORIGINAL: ENGLISH

GOVERNING COUNCIL

Special session

SUMMARY RECORD OF THE 5th MEETING

Held at Headquarters, New York,
on Thursday, 18 February 1993, at 10 a.m.

President: Mr. ADOUKI (Congo)

CONTENTS

The activities of the United Nations Development Programme in the Baltic States and the Commonwealth of Independent States (continued)

This record is subject to correction.

Corrections should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Chief, Official Records Editing Section, Office of Conference Services, room DC2-750, 2 United Nations Plaza.

Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

The meeting was called to order at 10.30 a.m.

THE ACTIVITIES OF THE UNITED NATIONS DEVELOPMENT PROGRAMME IN THE BALTIC STATES AND THE COMMONWEALTH OF INDEPENDENT STATES (continued) (DP/1993/5)

1. Mr. BABA (Observer for Uganda) said that his delegation fully supported the efforts being made by the Baltic States and the Commonwealth of Independent States to transform their economies. The achievement of prosperity and stability in the region would be of benefit to all countries, including those of the developing South.

2. At the same time, the development of the region must not be carried out at the expense of the countries of the South. While it was fitting that the newly independent countries should increasingly turn to the United Nations Development Programme (UNDP) for help in reorienting their transitions and that the United Nations should come to their aid, additional resources must be mobilized for that purpose, as indicated in General Assembly resolution 47/199. No clear statement had yet been made that the resources being allocated to projects in Europe were not being diverted from other programmes. The problems faced by the countries in transition were different from those affecting the developing countries. Organizations like UNDP that were engaged in operational activities had a specific mandate to provide assistance to developing countries, and especially to the least developed among them. Core resources were not intended to address issues of a political and transitional nature, however pressing they might be.

3. Those concerns had been raised during the triennial policy review at the forty-seventh session of the General Assembly and had been reflected in the resolutions adopted at that time. As UNDP considered an across-the-board reduction of 25 per cent of the indicative planning figures (IPFs) for the country programmes of developing countries, such concerns took on greater significance.

4. The countries in transition would be greatly assisted if the resources for their transformation were demand-driven. If those countries had access to world markets for their products, they would, because of their advanced economies, be able to generate their own resources. The developed countries had a special responsibility in that regard.

5. Mr. HELMKE (Director of the Division for Europe and the Commonwealth of Independent States) said he had taken note of the German and Japanese suggestions that UNDP should pursue a programme approach and should develop further activities in areas where the multilateral system enjoyed a comparative advantage. In reply to the questions from Germany and Denmark concerning participation by other United Nations agencies in the costs of establishing integrated United Nations Interim Offices in the countries concerned, he said that the United Nations International Drug Control Programme had expressed an interest in sharing the UNDP office in Tashkent.

(Mr. Helmke)

6. Replying to the questions raised by the representative of Japan at the previous meeting, he said that resources on the order of $100 million per year would be sufficient to allow UNDP to make an impact in the region. The three-tier resource model that was being proposed would take $10 million from IPFs each year to provide $40 million for the Trust Funds, which in turn were expected to yield $50 million a year in product-specific resources. With regard to joint programming missions to the Baltic States, the first such endeavour had involved the United Nations Industrial Development Organization (UNIDO), the Economic Commission for Europe (ECE) and UNDP. Missions by the United Nations Population Fund (UNFPA) had taken place within the framework of the Joint Consultative Group on Policy. Five United Nations agencies had participated as a team in the Consultative Group meetings organized by the World Bank in December 1992. UNDP would continue to promote the idea of establishing subgroups of the Joint Consultative Group on Policy which would operate at the technical level. As to special arrangements for the five Central Asian countries to which the Organisation for Economic Cooperation and Development (OECD) had assigned official development assistance (ODA) status, longer-term programming for those countries would begin at a much earlier stage, and a more tailored approach to resource mobilization would be adopted.

7. Turning to the statement made by the observer for Uganda, he said that some of the resources which were being mobilized for approved programmes had been identified in document DP/1993/CRP.1, and others would be detailed in future progress reports.

8. Mr. BLUKIS (Observer for Latvia) said that active cooperation between his Government and UNDP had begun in July 1992, when a logistics mission had been sent to his country. The UNDP Resident Representative had arrived in September; by December a cooperation agreement between his Government and UNDP had been signed and local costs and permanent office space had been identified. Latvian foreign aid officers had participated in three training events and were gaining valuable experience through their daily contacts with the Resident Representative. During the autumn of 1992, the country had received five missions focusing on reforms in the public and private sectors and population issues. Two follow-up reports had been submitted, and recommendations had been made to the Latvian Government.

9. Questions had been raised in the Governing Council as to whether the establishment of a large number of UNDP offices in the Baltic States and the Commonwealth of Independent States was in keeping with Council decision 92/43. Having participated in the negotiations leading to the adoption of that decision, he wished to emphasize that his delegation could not have supported the measure had it not understood that the provision in paragraph 8 for a limited number of offices was based on financial considerations. Paragraph 11 clearly stated that $3 million would be provided for the establishment of those offices, while paragraph 13 envisaged the possibility of using extrabudgetary resources to support UNDP activities in the countries concerned.

(Mr. Blukis, Observer, Latvia)

10. A distinction should be made between the extremely small IPFs of countries like Latvia and the much higher IPFs of traditional recipients. His Government had agreed to the use of IPFs to launch UNDP activities in Latvia not in an effort to solve the administrative problems of UNDP, but in order to speed up resource mobilization and enable training and programme development to begin at a much earlier stage.

11. Ms. DAMUŠIS (Observer for Lithuania) expressed concern at the cautious response of some Council members to the UNDP activities undertaken in the Baltic States and Commonwealth of Independent States. Lithuania believed that such activities were in keeping with Governing Council decision 92/43 and that a field presence was a prerequisite for developing country-specific strategies and an integrated United Nations approach. Her delegation endorsed the views expressed at a previous meeting by the representative of Romania, who had noted that the denial of such a presence to any of the countries concerned would constitute discrimination.

12. Cooperation between her Government and the United Nations had been enhanced by the presence of a temporary UNDP office in her country. Since the arrival of the UNDP Resident Representative in October 1992, a number of activities had been undertaken. Nine missions had been sent to Lithuania, including a UNFPA mission on maternal health and health education, a mission from the United Nations Centre on Transnational Corporations and a joint agency mission on food security assessment. Strategies were currently being developed to set up programmes in those areas. Training programmes were also being prepared for diplomats, managers of small enterprises and non-governmental organizations. Three Baltic aid coordinators had received induction training at UNDP headquarters in March 1992, and an additional training seminar had been held in September, organized by UNDP and the Polish Government.

13. With regard to the mobilization of additional resources for the Trust Fund for the Baltic States, the UNDP office in Vilnius had established contact with all the diplomatic missions of the countries belonging to the Group of 24 and had been represented at all local meetings of donors during the period under review. Given Lithuania's critical needs during the early stages of transition and the limited resources available to the country under decision 92/43, her Government had welcomed the use of reimbursable IPFs to begin programme development until sufficient extrabudgetary resources could be generated. The Danish Government had already pledged $835,000 for that purpose.

14. Two IPF-funded projects, both of the "umbrella project" type, were in preparation and were expected to be approved in March 1993. One would fund short-term expertise through a combination of modalities and the other would finance other programme support activities.

15. Mr. LUNDBORG (Sweden), speaking on behalf of the Nordic countries, expressed those countries' concern at the late distribution of certain documents.

16. The Nordic countries, recognizing the enormous challenges which the Baltic States and the Commonwealth of Independent States were facing, were supporting the transition process in those countries by providing them with funds from outside their development assistance budgets. The Nordic countries were also aware of the major role played by other bilateral and multilateral organizations in providing assistance to the region. If the United Nations system was to play such a role, its comparative advantages must be clearly identified and an integrated strategy must be developed.

17. Document DP/1993/5 showed that UNDP had disregarded the stipulation in Governing Council decision 92/43 that only a limited number of offices should be established in the region. Efforts appeared to be concentrated on establishing as many offices as possible, rather than on developing programmes in the poorest countries as a matter of priority.

18. It was unclear how the UNDP offices would be financed, as the Fifth Committee had postponed a decision to allocate funds to cover part of their costs. Document DP/1993/5 indicated that IPFs would be utilized for the partial funding of some of the offices. At the Council's thirty-ninth session, the Nordic countries had expressed doubts regarding the use of IPFs for UNDP administrative purposes, and they continued to object to such arrangements. At that session the Nordic delegations had also emphasized that concrete plans must be worked out by UNDP in conjunction with other United Nations agencies, yet only general indications of future activities had been provided.

19. The Nordic countries believed that UNDP must give priority to the poorest countries in the Commonwealth of Independent States. While welcoming the presentation of a short-term strategy for the Baltic States, he wondered when such a strategy would be developed for the Commonwealth of Independent States.

20. Mr. RADE (Netherlands) noted that his remarks should be taken as complementing those made by the representative of Denmark on behalf of the European Community. His delegation still had a number of questions concerning UNDP activities in the Commonwealth of Independent States and the Baltic States.

21. A key element of Governing Council decision 92/43 was the expressed need for a unified United Nations approach to the region. While the information provided to the Council did refer to the coordination efforts made by the United Nations, the World Bank and other bodies active in the region, it was not very specific as to the results achieved. Nine months after the adoption of the decision it was reported that a subgroup of the Joint Consultative Group on Policy to deal with joint programming was "under consideration"; that hardly reflected a very active attitude. His delegation therefore wished to

(Mr. Rade, Netherlands)

receive more information on concrete results of the cooperation with other United Nations organizations, and especially with UNICEF.

22. With regard to financial questions, his delegation had serious doubts as to the use of IPFs or programme resources to finance administrative posts. It also wanted to know the provenance of the approximately $30 million mentioned in the report of the Administrator (DP/1993/5) as available for programming purposes. He wondered what UNDP would do if, contrary to expectations, the General Assembly, meeting in a resumed session, did not approve a contribution from the United Nations regular budget for the United Nations field presence. Finally, he would be interested to know the amount of the resources allocated to the countries concerned from special programme resources (SPRs).

23. Drawing attention to the table contained in the annex to the report and particularly to column 14, he said it was hard to see how UNDP had taken into account the Governing Council's wish for priority to be given to the countries with the lowest gross national products (GNPs) and the highest IPFs. His delegation still encouraged UNDP to develop a presence as soon as possible in those countries of the Commonwealth of Independent States and Baltic States that had been labelled developing countries by the OECD Development Assistance Committee. It did not, however, see a substantial role for UNDP in the other countries of the region, in view of the need to focus the Programme's limited resources on the poorest countries. Accordingly, his delegation continued to have doubts about the opening of UNDP offices in those countries of the region that were, relatively speaking, better off.

24. Ms. VOLKOFF (Canada) noted that there was a great deal of involvement in the Commonwealth of Independent States and the Baltic States on the part of bilateral and multilateral agencies, but also of representatives of the private sector. While UNDP should seek out those areas where it had a comparative advantage in determining its approach to the region, she wondered whether that advantage had been defined narrowly enough. There might be a need for a United Nations presence in a majority of the Commonwealth and Baltic States, but it was debatable whether it ought to take the form of UNDP offices. The Programme's first priority should be the region's least developed countries.

25. Privatization and industrial restructuring were the key to the development of the region, but it was not evident that UNDP enjoyed a comparative advantage in every case; a more rigorous approach to the development of priorities was needed. The offices being opened in many countries should be unified United Nations offices and should enjoy a large measure of decentralization.

26. Canada had noted with interest that UNDP recognized the obstacles to regional and subregional approaches. A number of delegations from the Commonwealth of Independent States and the Baltic States had advocated the concept of regionalization at the current session. Canada would not favour

(Ms. Volkoff, Canada)

adding a separate regional component to the already rapidly increasingly field presence, but innovative regionalization might be appropriate in specific instances and, as in the case of information systems, might serve UNDP as a model for other parts of the world.

27. Mr. HELMKE (Director of the Division for Europe and the Commonwealth of Independent States) said that the Administration had known in December, when the documents for the current session were being prepared, that there would be subsequent changes in the situation in the Commonwealth of Independent States and the Baltic States that might affect the timely preparation of documents. Nevertheless, every effort would be made to supply members with the most up-to-date documentation possible.

28. Replying to the representative of Sweden, he said that short-term strategies had been prepared for Kazakhstan and Kyrgyzstan and were in preparation for Azerbaijan; other cases were under study.

29. Results of UNDP cooperation in the region would be reported as soon as they were achieved; UNDP did not want to report anticipated results. The practice of making periodic reports and holding frequent informal consultations would be continued. A joint UNDP/United Nations document on the operation of integrated offices, with emphasis on budget management, would be made available as soon as possible.

30. The holding of joint meetings with other agencies active in the Commonwealth of Independent States and the Baltic States was certainly a possibility; they might be held during the informal consultations following the current session.

31. With respect to the volume of SPRs allocated for the Commonwealth of Independent States and the Baltic States, he drew attention to document DP/1993/CRP.1, which indicated that the total was $500,000.

32. In the matter of determining which countries were the poorest, things were in a state of flux; many countries once considered better off were now at the bottom of the heap. Armenia was a case in point: UNDP would not have been able to assist Armenia under the guidelines of a few years before, but such assistance was now urgently needed.

33. The question of whether UNDP comparative advantage could most profitably be applied to a limited number of countries was a difficult one. In offering assistance selectively, UNDP, and some countries, might lose the benefit of the Programme's efforts to build an integrated, expanded network. Perhaps it was best to promote regional coordination by all means possible in that geographical area, where it was so difficult to achieve. It was not immediately feasible to regionalize administration; however, UNDP could promote activities that addressed problems not easily solved at the country level.

34. Mr. BORJA DE MOZOTA (France) said that his delegation shared the concern expressed by the representative of Switzerland regarding the interaction between the Administration and members of the Governing Council. He welcomed document DP/1993/CRP.1, which provided a useful account of activities on a country-by-country basis.

35. The problem facing the Council was how to initiate UNDP involvement in Eastern Europe. If it was to be done on the basis of ODA status, only the five republics of Central Asia would qualify. If, as seemed to be the case, all the countries created from the former USSR were to be assisted, the requests of each country should be analysed individually. However, to ensure better inter-agency coordination the current situation must be studied carefully. Such coordination was being presented as a fait accompli, but more information was needed. Similarly, the cases of the four countries where integrated United Nations Interim Offices existed should be studied in detail in order to assess the results of the first experiments.

36. France questioned the role played by the Economic Commission for Europe (ECE) in programmes in the Commonwealth of Independent States and the Baltic States. ECE had been active in the region long before UNDP, and yet its experience was not being utilized. Regional administrative support could possibly be undertaken by the Commission, and the wide-area network (WAN) referred to in paragraph 16 of document DP/1993/5 might better be located at ECE headquarters at Geneva, where extensive databases on the Commonwealth of Independent States and the Baltic States already existed.

37. The activities described in paragraphs 22 and 25 seemed to assign UNDP responsibility for administering the assistance provided by the European Community, inter alia. He wondered whether UNDP was really the right agency for that job. His delegation believed that UNDP should concentrate on providing assistance for democratization, rather than for the privatization of economies, which many other institutions were already dealing with.

38. In paragraph 41, transition support was stated to be temporary by nature. Such statements should be viewed by the Council with caution, given the permanence of many bodies within the United Nations system.

39. Mr. BARNETT (United Kingdom) endorsed the statement made by the representative of Denmark. The United Kingdom would judge UNDP by its performance in implementing programmes in its areas of comparative advantage. Unfortunately, UNDP had not concentrated sufficiently on coordinating the efforts of the United Nations system, despite strong instructions to do so.

40. Mr. MONROE (United States of America) acknowledged the need for focus in implementing programmes in the Commonwealth of Independent States and the Baltic States. The area of focus chosen by UNDP, however, seemed to duplicate that of other donors. UNDP should select those activities in which it had a distinct advantage relative to other international sources of assistance and avoid establishing long-term dependencies.

(Mr. Monroe, United States)

41. United States assistance was designed to support the development of democratic political structures and free-market economies; it was therefore focused in areas where genuine reform was under way. Within that focus, the United States had placed the highest priority on collective engagement and cooperation with regional and international institutions. It had established regional offices of the United States Agency for International Development (USAID) in Armenia, Kazakhstan, Russia and Ukraine. It was working to improve coordination mechanisms, ensure a reasonable division of labour and reduce duplication of effort, and consequently urged UNDP to participate fully in the new Consultative Group meetings chaired by the World Bank.

42. The Administrator's report (DP/1993/5) stated that United Nations assistance would be supplemented by roughly $500,000 from recipient Governments to support local office costs. Had UNDP received firm written commitments to that effect? His delegation would also like to learn more of the proposed UNDP strategy to promote interregional cooperation, including the proposed timetable.

43. Mr. TRAXL (Austria) said that UNDP could not be selectively involved but, owing to its universality and neutrality, must respond to the requests and needs of all IPF countries on the basis of set rules. However, Austria had requested UNDP to develop an innovative strategy based on a coordinated approach to both administration and programming. Its guiding principles should be cost-effectiveness, versatility, and temporary involvement.

44. Efforts to rationalize some administrative support further should continue as soon as resources became available. Capacity-building in the countries of the region had to be the centre of UNDP activities; nevertheless, Austria welcomed the Programme's efforts to counteract the diversion of resources from the South to the East. Finally, his delegation shared the view that the transition to a market economy and the transition to democracy were indivisible.

45. Ms. WYRSCH (Switzerland) noted that the resources devoted by UNDP to the Commonwealth of Independent States and the Baltic States accounted for only 0.5 per cent of all IPF resources for the fifth programming cycle; the fate of UNDP did not hinge on such sums.

46. More importantly, the debate seemed somewhat unrelated to the actual concerns of those countries. The programme under discussion was an ambitious, attractive one, but seemed unrealistic in the current situation. Many cooperation partners were already active in the countries concerned, and she regretted that UNDP had not been able to identify clearly its own niche there.

47. She thanked the observer for Latvia for the information he had provided. The presence of international assistance professionals was of great benefit to Latvia's own workers. She wondered, however, whether there was any need for such assistance to be provided by a UNDP office. Furthermore, if such

(Ms. Wyrsch, Switzerland)

services were provided to relatively well-off Latvia, how could UNDP refuse to do the same for the poorest countries?

48. Document DP/1993/CRP.1 reflected a concern for integration, but the argument was not especially convincing, given the current state of coordination. As part of the reform taking place in the United Nations it had been proposed to establish a centre at Vienna to deal with States in transition. Did UNDP know of that plan, and was it involved in it?

49. Lastly, she noted that remarkable results had been obtained in Latin America with very small IPFs, and she wondered whether that experience might not be of use in the Commonwealth of Independent States and the Baltic States.

50. Mr. HELMKE (Director of the Division for Europe and the Commonwealth of Independent States) said that the conference room paper would be updated and that the topic would be further developed as more information regarding the results of UNDP activities in the region became available. The issue of coordination had been raised repeatedly, and the UNDP secretariat felt that it could best be achieved by building up from country-specific situations. He welcomed the effort of the Governing Council, the Economic and Social Council and other bodies to utilize a top-down approach; the secretariat and the field staff, however, sought to identify demand-driven situations of real need and build up from that point. He hoped that a combination of the top-down approach proper to governing bodies such as the Governing Council and the bottom-up approach would yield the desired results.

51. Replying to the representative of France, he noted that cooperation with ECE was not traditional. In the present instance, country-specific concerns had been addressed in four ways. First, joint advisory missions had taken place in countries where ECE had a comparative advantage. Second, UNDP and ECE had conducted joint activities for the retraining of technicians and professionals in such areas as statistics, national accounting and energy. Third, region-specific packages were being developed jointly for areas of common need. Finally, staff had been seconded to serve as short-term resources and to provide professional input. Specific documents would be made available on regional efforts in such fields as nuclear safety.

52. The representative of the United States of America had referred to the need to focus on comparative advantage. The secretariat intended to promote country-specific programmes with a global thrust. Using the degree of government commitment to reform as another criterion for activities in addition to GNP was an idea that could indeed be very practical. Standard agreements for the local office cost contributions by recipient Governments had been signed with nine countries, corresponding closely to the pace at which offices were being opened.

53. Many speakers had referred to regional cooperation as a high priority. As soon as resources became available for regional activities, the secretariat

(Mr. Helmke)

intended to move ahead with programmes similar to those existing at the country level. As the representatives of Austria and Sweden had noted, regional adminstrative support centres would indeed provide economies of scale. No funds had been available in 1992-1993 for their establishment, but they would be useful and cost-effective, and the matter would be kept under review.

54. As the representative of Switzerland had noted, a "niche" reflecting comparative advantage needed to be clearly identified and occupied. Complementarity of activities was a concern, however. In spite of the great variety of donors, many subjects mentioned in the conference room paper had been given no consideration. It was not his intention to impose programmes from the top down, but to start at the counterpart level. If integrated approaches had their origin in the recipient's perspective, they would be much easier to manage with limited resources.

55. Mr. DE SAN (Deputy Director of the Division for Europe and the Commonwealth of Independent States), replying to the representative of France, said that ECE was a major partner in efforts to respond to the needs of the region. ECE was actually a node in the wide area network (WAN) from a technical standpoint. As to whether the network could be installed on ECE premises, a specific location was required only for the technical purposes of sending and receiving data, transmitted by satellite, as opposed to the creation of a management hub, which would eventually be required for the management of information. Ultimately, a decision would have to be taken regarding the location of such a hub.

56. Mr. NASRI (Pakistan) said that his Government supported technical cooperation activities in Central Asia and was participating in them through technical cooperation among developing countries (TCDC). Those activities included special courses in subjects such as banking, the English language, and international relations and diplomacy. The Government had also opened 60 places in its medical shcools to students from the Central Asian republics and had joined with other countries of the region in funding feasibility studies for cooperation programmes.

57. His Government believed that UNDP assistance should be directed to the neediest new republics, particularly in Central Asia, and that such assistance should not be at cost to the developing countries, but should be provided through additional resources. With regard to the trilateral cooperation mentioned in paragraph 38 of the Administrator's report, the expertise to be provided by countries of the former Soviet Union should be identified. His delegation had previously proposed trilateral arrangements involving procurement from developing countries, which would avoid the diversion of resources from the South to the East.

58. Mr. MONGBE (Benin) said that the issue of UNDP activities in the Baltic States and the Commonwealth of Independent States was important not only to

(Mr. Mongbe, Benin)

the States directly concerned, but also to African countries, who had good reason to be interested in the way in which the Council addressed the issue. His delegation understood the good intentions of UNDP in providing assistance to the emerging economies in the former Communist States of Eastern Europe. The report of the Administrator (DP/1993/5) indicated that contributions in cash and in kind had been mobilized in order to conduct activities in the greatest possible number of countries and that a target of $100 million had been established to assist the Baltic States and the Commonwealth of Independent States. That worthy objective should indeed receive the support of the international community, so long as it did not conflict with the goals, no less worthy, set in various United Nations resolutions, in particular General Assembly resolution 47/199. UNDP activities in Eastern Europe should not adversely affect activities such as the United Nations New Agenda for the Development of Africa in the 1990s, the Programme of Action for the Least Developed Countries for the 1990s, and Capacity 21.

59. Mr. KUKAN (Slovakia) said that his country was facing needs and priorities similar to those described in the programme for the Baltic States and the Commonwealth of Independent States. Despite its geographic location in the heart of Europe, Slovakia needed to create new ties both to Europe and to the world. The separation of the Czech Republic and Slovakia had been carried out peacefully, but the new State administration must be built up and political, economic and cultural ties strengthened while the country moved from a State-dominated economy to one oriented towards the private sector and markets.

60. UNDP activities were one source of connection to the world economy and world environmental policy. The cooperation activities with European financial institutions and other United Nations bodies mentioned in the Administrator's report reflected the needs of all new republics, including Slovakia. Political, economic, environmental and humanitarian problems were closely interrelated and could only be resolved comprehensively through joint efforts.

61. Mr. FONDI (Italy) said that his delegation supported the views expressed by Denmark on behalf of the European Community. United Nations action in the transition countries in the Baltic States and the Commonwealth of Independent States should be integrated and complement that being considered bilaterally and in the European context. UNDP should thus aim to develop joint programmes involving the United Nations system as a whole and act as a facilitator in project identification, design and implementation. It was also important to stimulate human resources development in the transition countries. United Nations action along those lines would be useful and could attract additional financial contributions.

62. Mr. NOVRUZOV (Azerbaijan) said that his delegation had appreciated the importance of UNDP cooperation on joining the United Nations in 1992. The establishment of a UNDP presence in Azerbaijan was particularly welcome, given

(Mr. Novruzov, Azerbaijan)

the difficulties faced by the country. Indeed, all the former Soviet Republics faced many difficulties, fundamentally attributable to the splitting up of the former Soviet economy and the move from a centrally-planned to a market economy. The extent to which those problems were resolved would be a critical factor in stability in the late twentieth century.

63. Institutional changes in the economic, social and political structures of the transition countries were needed. The main contribution that UNDP could make in that connection was to act as a coordinator to facilitate the effective absorption of international assistance by those countries. Azerbaijan was currently negotiating with national corporations in such areas as the exploitation of oil deposits. There, too, UNDP could play an important coordination role, an aspect that was much more important than the channelling of resources.

64. Ms. SIBEKO (Observer, Pan-Africanist Congress of Azania) said that the Pan-Africanist Congress of Azania looked forward to continued cooperation with UNDP as South Africa recovered from the ravages of apartheid. The country was still afflicted by socio-economic, social and political problems, including State-sponsored violence. Moreover, the country lacked education resources to train its people. The development task at hand was mammoth, and was aggravated by the chasm that existed between white affluence and African poverty, and by government corruption. The solution lay in a home-grown, politically neutral approach involving all the major players.

65. Mr. KONG Fannong (Department of Economic and Social Development) said that the emphasis by UNDP on aid management and resource mobilization in the Baltic States and the Commonwealth of Independent States would have a multiplier effect and build a base for longer-term projects. A physical presence by the United Nations system was essential for the effective coordination of operational activities.

66. Unfortunately, the approach indicated by the Administrator did not fully exploit the potential for such an integrated strategy, which should be forged in the Joint Consultative Group on Policy and other inter-agency frameworks. In particular, given the sizeable assistance provided from sources other than the United Nations, it was important to avoid duplication and, where possible, secure additional extrabudgetary support for United Nations activities. While contacts to that end had been initiated, they had not yet become effective umbrellas for integrated activities.

67. The transition to a market economy and democracy was an unprecedented and extremely complex process. The United Nations should support policy development in the social and economic fields as they related to that phenomenon. In view of the changing situation, access to information was essential. Such an integrated approach must take account of the comparative advantages of the United Nations system, with its wealth of expertise. The Department of Economic and Social Development, for example, possessed such expertise in a number of areas.

68. Ms. ASHRAF (United Nations Educational, Scientific and Cultural Organization (UNESCO)) said that UNESCO had developed an ongoing interaction with the relevant units of UNDP and had formulated its Programme for Central and Eastern European Development to coordinate UNESCO activities in Central and Eastern Europe and the former Soviet Union. The programme coordinated a number of priority projects emphasizing social, vocational and cultural factors in the transition process.

69. Mr. HELMKE (Director of the Division for Europe and the Commonwealth of Independent States) said that UNDP was aware of the close cooperation between Pakistan and the Central Asian Republics, and was contemplating how it might act within that framework. With regard to the new modality of trilateral cooperation, UNDP would report further as it developed. The debate on the transition in the Baltic States and the Commonwealth of Independent States had been extremely useful, but had revealed the lack of any internationally accepted body of policies on how the process should be concluded. The Governing Council dialogue represented an important stage in defining such policies.

The meeting rose at 1.10 p.m.